NSPA Steering Committee February 2025



Northern Sparsely Populated Areas' (NSPA) views on the EU's future Framework Programme for Research and Innovation (FP10)

The Northern Sparsely Populated Areas network, NSPA, represents the interests of the four northernmost regions of Sweden (Norrbotten, Västerbotten, Jämtland Härjedalen and Västernorrland), the seven eastern and northernmost regions of Finland (Central Ostrobothnia, Kainuu, Lapland, North Karelia, Northern Ostrobothnia, Pohjois-Savo and South Savo), as well as the three northernmost regions of Norway (Nordland, Troms, Finnmark).

The NSPA Position

<u>The NSPA</u> would like to highlight the following messages with respect to the EU's future Framework Programme for Research and Innovation (FP10).

The EU needs a more holistic approach to its Arctic research.

The Arctic is a complex area with special conditions, sensitive nature and a wide range of natural resources and economic activities. The European Arctic plays a key role in the EU's competitiveness, strategic autonomy, green industrial transition and security. It is important that also the European Union's concept of Arctic research reflects this. A broad definition would make the EU's role in the development of the Arctic more visible and would also create more possibilities for synergies between the EU funding instruments.

The climate change affects the Arctic dramatically and climate change and environmental topics are and should remain an essential part of research in, for and about the Arctic. However, **Arctic research is not only about climate, polar and maritime research – the Arctic is people.** It is a region with vibrant cities, smaller communities and a diverse population of around 4 million people. The European Commission's Arctic communication of 2021 highlights the role of the people living in the Arctic. However, this approach does not reflect the EU's general understanding regarding research in the Arctic. Too often "Arctic research" is limited to using the Arctic regions as grounds for research to study the global climate effects instead of research for the people living in the Arctic. The NSPA stresses that the Arctic research should take into account the complex interrelations between ecosystems, human activites and life conditions in the Arctic.

A broad perspective on the Arctic research to include all research topics that promote the sustainable development of the EU's Arctic regions would align the FP10 better with the EU's Arctic policy. This in turn would support a more holistic approach regarding the Arctic topics overall.

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More research is needed on the societal impacts of climate change in the Arctic.

Science has demonstrated that the climate is warming up to two times faster in the Arctic compared to for example Central Europe and nearly four times faster than the rest of the world. The rising temperatures put the Arctic ecosystem in danger and are causing unforeseen threats to the whole planet.

The rising temperatures also cause a strong societal impact within the Arctic regions. More knowledge is required on how local communities are affected and how these communities could adapt to the consequences of the climate change and become more resilient. The FP10 should therefore allocate significant funding to research and innovation (R&I) activities that look to tackle the climate crisis impacts on the communities in the European Arctic. There are several industries and sectors where the effects of the climate change are felt with reindeer herding being just one example. What is required is cross-sectoral research and interdisciplinary projects but also giving the social sciences and humanities (SSH) a central role in finding solutions to the societal challenges in the Arctic.

The NSPA would like to highlight that the EU's framework programme needs to put people living in the Arctic at the centre of research and the benefits it creates – this applies especially to the indigenous peoples. The research activities should include working with local communities and policy makers and cover all applied and basic research activities that contribute to the sustainable development of the region.

The NSPA supports the initiative put forward by the expert group on the interim evaluation of Horizon Europe chaired by Manuel Heitor to create a Societal Challenges Council and calls the Commission to reflect how this could be utilised in solving societal impacts of the climate change in the Arctic and to strengthen the adaptation capacities of the local communities.

The European Union's research policy and funding should reflect the critical geopolitical role of the European Arctic.

Security is one of the topics that has gotten a very different meaning in the Arctic after the Russian aggression against Ukraine with the concept of comprehensive security touching the whole Arctic region more than before. Targeting more EU funding on security and preparedness topics in the Arctic will strengthen resilience in the region and Europe.

Security includes many aspects, such as food and health security, energy and infrastructure security, security of supply, transport, migration, raw materials, land use, and emergency preparedness. The NSPA would like to emphasise that the future framework programme should have a holistic approach on security topics in the Arctic as more research is needed to support knowledge-based decision-

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making in the region – these are areas in which the universities located in the NSPA have extensive expertise.

The NSPA supports the messages of the Special Adviser Sauli Niinistö's report on strengthening Europe's civil and military preparedness and readiness. Due to its location, capacities and resources, the European Arctic is a key region in making Europe more sustainable, competitive and secure, and better prepared against future challenges. This is especially important as new geopolitical tensions are building up in the Arctic underlining the unpredictability of the future developments. One means for the EU to strengthen its role in the Arctic is to allocate targeted funding through the FP10. With an increased militarization in the region, the future Framework Programme should for example support dual use research. Targeting funding for the region would also be a way for the EU to deliver its ambition of a more sustainable and inclusive role in the European Arctic.

Considering the status of the Arctic and the necessity to integrate the region even more comprehensively into the European R&I landscape, the NSPA would like to emphasise the need for a funding instrument addressed specifically to the Arctic research in the FP10.

Maintaining regions lively and developing the living conditions in the Arctic is also a security policy question. One tool that could be utilised in a wider and a more efficient way in the European Arctic is the New European Bauhaus. The NSPA with its long distances and a sparse population on the one hand and its need to attract skilled labour force on the other would greatly benefit from NEB calls focused on the European Arctic. These calls would create a lot of added value for Europe as building sustainable and lively communities helps to keep the European Arctic inhabited and secure.

The FP10 should promote ecosystem approach and interregional collaboration and recognise the value of smart specialisation.

Strong and interconnected regional research and innovation ecosystems are vital for Europe's competitiveness. The ecosystem approach should be one of the cross-cutting principles of the FP10 as it strengthens the collaboration between various stakeholders, creates more opportunities especially for SMEs and micro companies to get involved in the Framework Programme activities and fosters interregional collaboration within value chains and between ecosystems linked to shared topics. The interest towards the different "valley" initiatives underlines the importance of the ecosystem approach and the interregional collaboration.

Local and regional authorities are often key actors in the regional ecosystems. The NSPA urges to include more direct project participation opportunities for local and regional administrations in the FP10.

A comprehensive approach between the Framework Programme and other EU policies and programmes would help to create a maximum added value. **The FP10 should for example support the**

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implementation of the EU industrial policy by connecting regional innovation ecosystems and using smart specialisation as a driver for shaping innovative EU value chains. It is especially important to recognise the regional dimension of innovation policy since capacity building in regional ecosystems is crucial for European competitiveness and excellent research, as these ecosystems enable the uptake of research and innovation results and support scale-up. The New European Innovation Agenda places smart specialisation at the core of the implementation of the EU's innovation policy and the FP10 should reflect this. Policy and funding synergies between smart specialisation instruments and the Framework Programme for R&I should be further developed with a maintained bottom-up approach in smart specialisation that allows for all regions to contribute to the European innovation ecosystem based on their own specificities. The NSPA underlines that the EU's overall funding architecture including a possible Competitiveness Fund needs to be built on the idea of producing added value for money and this is often best supported by supporting the local and regional ecosystems and leaving space for bottom-up activities.

Connections and synergies between the FP10 and other programs should be enhanced widely. The Interreg programs, the Arctic Urban Regional Cooperation Program and the Youth Together for Arctic Futures are excellent examples of EU instruments that underpin cross-border and pan-Arctic cooperation and innovation.

The FP10 must be a stand-alone programme that supports the whole RDI scale.

The EU needs to continue its strong support to RDI activities also in the next programming period. The NSPA emphasises that this is only guaranteed with an independent Framework Programme that is not a part of a larger fund. **The FP10 should be a stand-alone programme with its own budget.**

The funding in the FP10 should be based on a well-functioning balance between different types of RDI activities. The three-pillar structure of the Horizon Europe supports this and should be maintained, including the current pillar two. The collaborative projects under the pillar two help to develop the results of basic research towards the innovation actions. Each of the three pillars of the Horizon Europe is important in fostering Europe's competitiveness and the foreseen Competitiveness Fund should maintain the funding for collaborative projects found in the pillar two and not compromise the current structure. In addition, the FP10 needs to recognise the added value of applied research in a comprehensive way as applied research often enhances the ecosystem approach and can help to develop the basic research results towards innovation-oriented activities. Applied research fosters smart specialisation driven innovation policy. There needs to be enough space for bottom-up actions that create the basis for longstanding interregional collaboration.

The Framework Programme should maintain and further develop conditions for the participation of different types of stakeholders, such as regions and their authorities as well as small businesses.

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The NSPA is a solution-provider for Europe.

Europe's Arctic regions are highly developed with access to rich natural resources, international acknowledged research institutions, innovative industries and a geographical location that is optimal for demonstration and pilot projects. Projects and development in these regions impact the whole Europe and are of vital importance regarding the objectives of the United Nations Sustainable Development Goals (SDGs) and the EU priorities.

The NSPA is a frontrunner region, and as such crucial for the EU's green, and digital transition. It can also support building European resilience and strategic autonomy, for example in energy production, forestry, and critical raw materials. The NSPA regions are strong innovators and can offer innovative solutions to Europe and the world. For this, and in order to tackle the existing regional challenges, the NSPA sees that the FP10 should target funding especially to topics that are important for the Arctic, Europe and globally as for example bioeconomy (e.g. wood, fibre, biomass, bioenergy, ocean), circular economy (including related digital technologies), energy transformation, sustainable mineral economies, digital transition (e.g. 6G, cyber security, game development, AI, data centres and AI Factories, machine learning, and photonics), ageing and shrinking population and healthcare systems, infrastructure, atmospheric science, space observation and ground infrastructure.

It is a very possible scenario that the world order could start to evolve from the Arctic. This means that the European Arctic is more critical than ever for the EU's competitiveness and security. It is of vital importance that this is reflected also in the EU's future Framework Programme for Research and Innovation.